

**COUNCIL ON PENSIONS AND INSURANCE**

**AMENDMENT NO.** \_\_\_\_\_

\_\_\_\_\_  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No.      1048      House Bill No.      679**

by adding the following as new SECTIONS 12 and 13, respectively, and by redesignating the current SECTIONS accordingly:

SECTION 12. Tennessee Code Annotated, Section 8-37-104(a), is amended by deleting subdivision (3) thereof in its entirety and by substituting instead the following:

(3) Within the restrictions set forth in subdivisions (a)(1) and (2), the board of trustees may invest in or otherwise acquire stocks, bonds and other securities in such foreign countries as the board may determine with the approval of the council on pensions and insurance. Provided, however, any such securities must be substantially of the same kinds, classes, and investment grades as those otherwise eligible for investment by the board and no more than fifteen percent (15%) of the system's total assets may be invested in such securities.

SECTION 13. Tennessee Code Annotated, Title 8, Chapter 37, Part 1, is amended by adding the following new section:

8-37-1\_\_\_\_. (a) Notwithstanding any other provision of the law to the contrary, the board of trustees is expressly authorized to contract for investment management services for the retirement system's foreign portfolios and to provide for the powers, duties, functions and compensation of any investment managers so engaged. Any contract for such investment management services shall be procured in the manner prescribed by the board. The board may

**COUNCIL ON PENSIONS AND INSURANCE**

**AMENDMENT NO.** \_\_\_\_\_

\_\_\_\_\_  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No.      1048      House Bill No.      679**

authorize the system's investment consultant to initially evaluate and make  
recommendations regarding proposals submitted by investment managers.

(b) All expenses and fees incidental to such outside investment  
management shall be charged to and paid from the earnings of the funds.